



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

FOR IMMEDIATE RELEASE
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Media Contact:
LaJuan Williams-Young
(202) 898-3876
Lwilliams-young@fdic.gov

Northfield Bank, Staten Island, New York, Assumes All of the Deposits of First State Bank, Cranford, New Jersey

First State Bank, Cranford, New Jersey, was closed today by the New Jersey Department of Banking and Insurance, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Northfield Bank, Staten Island, New York, to assume all of the deposits of First State Bank.

The two branches of First State Bank will reopen on Saturday as branches of Northfield Bank. Depositors of First State Bank will automatically become depositors of Northfield Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of First State Bank should continue to use their existing branch until they receive notice from Northfield Bank that it has completed systems changes to allow other Northfield Bank branches to process their accounts as well.

This evening and over the weekend, depositors of First State Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of June 30, 2011, First State Bank had approximately \$204.4 million in total assets and \$201.2 million in total deposits. In addition to assuming all of the deposits of the failed bank, Northfield Bank agreed to purchase essentially all of the assets.

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-613-0378. The phone number will be operational this evening until 9:00 p.m.,



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-166-2011

Eastern Daylight Time (EDT); on Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m., EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/firststatebank-nj.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$45.8 million. Compared to other alternatives, Northfield Bank's acquisition was the least costly resolution for the FDIC's DIF. First State Bank is the 79th FDIC-insured institution to fail in the nation this year, and the first in New Jersey. The last FDIC-insured institution closed in the state was ISN Bank, Cherry Hill, on September 17, 2010.
